

2. WHAT IS CREDENTIALS ADMINISTRATION?

Operating a commercial vehicle in the United States requires many “credentials.” A **credential** is some form of evidence of meeting specified qualifications. Vehicles must be titled and registered. Some credentials are required for carriers, vehicles, or drivers that will operate only within a single state (intrastate), and different credentials are required for those that will be operate in multiple states (interstate). Carriers must have adequate liability insurance and be authorized to carry certain types of “cargo” (e.g., hazardous materials, people, and household goods). Special permits are required to operate vehicles that are over the standard legal weight or size. Drivers must be licensed to drive whatever size vehicles they intend to operate, and must meet medical standards. Carriers must pay fuel taxes for operating vehicles in each jurisdiction. Some states have additional credentialing requirements.

States have reached agreements on vehicle registration and fuel tax payments for interstate operators. These are called “base state agreements.” According to the IRP, the states agree that a vehicle registrant can file with a “base state,” and receive one license plate and cab card. The base state will charge the registrant the sum of the fees due to all states in which the vehicle operates, based on miles driven in each state. The base state sends apportioned fees to other states. The IFTA is a similar arrangement in which a carrier files quarterly fuel tax returns with a base state on its operations in all states. The base state apportions the fuel taxes to the appropriate jurisdictions. All mainland states in the U.S., as well as some Canadian jurisdictions, are part of the IRP and IFTA.

Credentials administration comprises:

- all aspects of applying for, reviewing, and granting commercial vehicle credentials; paying the associated fees
- filing returns on fuel taxes, paying the associated taxes and fees
- managing information about credentials and tax payment status, providing information to users
- supporting base state agreements and associated fee payment reconciliation

The regulatory requirements associated with credentials administration include:

- registering to operate as a motor carrier
- having the required liability insurance
- registering and titling vehicles
- paying fuel taxes
- applying for special oversize/overweight permits
- applying for special hazardous materials hauling licenses and permits
- paying Federal heavy vehicle use tax
- complying with other state-specific regulation

In discussions about CVISN projects, Credentials Administration is usually split into three segments: electronic credentialing, interstate credentials data and fee exchange, and interagency (within your state) credentials data exchange. Figure 2–1 shows an overview of the Credentials Administration processes, focusing on the responsibilities of the major stakeholder groups, and the kinds of information exchanged.

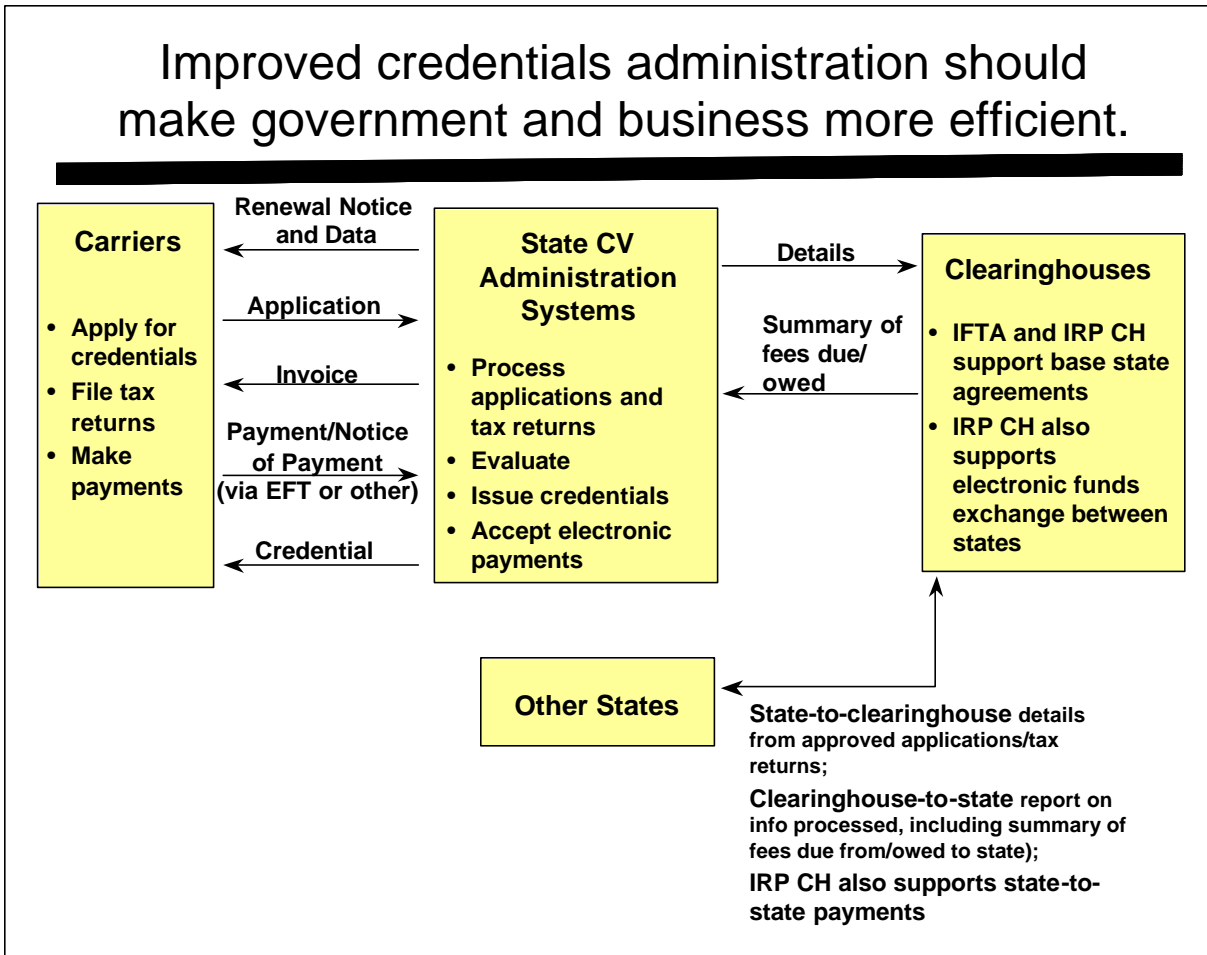


Figure 2–1. Credentials Administration Overview

2.1 Electronic Credentialing

A **credential** is some form of evidence of meeting specified qualifications. It is issued by an authorized source and it entitles the holder to specified rights, privileges or authority. Today, most credentials are issued in paper form, with supporting records on file in the issuing jurisdiction's system. An electronic credential is an electronic record of the credential.

The authoritative source for an electronic credential is the issuing agency. The holder of the credential may be issued an electronic copy that represents the same authority as today's paper copy.

Electronic Credentialing is defined to mean an operational process that uses software under the applicant's control to send credentials applications (including fuel tax returns) to the state, and to get electronic notification of credentials status in return. When feasible, the credential itself is returned electronically. Electronic payment is an option associated with electronic credentialing.

2.2 Interstate Credentials Data and Fee Exchange

To support base state arrangements, states must collect fees from operators, apportion the fees collected to other states according to pre-determined criteria, and transfer funds to those states accordingly. To facilitate that process, clearinghouses have been developed for the IRP and the IFTA. The IRP and IFTA governing documents are listed as references 11 and 12.

A state also exchanges interstate credentials data with other states through Safety and Fitness Electronic Records (SAFER) snapshots. Snapshots contain limited identifier/census, safety, and credential information. Snapshots are used primarily by systems to support making quick decisions. Each state is responsible for maintaining the credentials information in the carrier and vehicle snapshots. The CVISN states, to date, have chosen to implement a state Commercial Vehicle Information Exchange Window (CVIEW) system that collects information from the state credentialing systems. CVIEW then forwards the credentials snapshot segments to SAFER. SAFER distributes the snapshot data to subscribers.

2.3 Interagency (Within Your State) Credentials Data Exchange

Typically, different state agencies need access to credentials information. For instance, before a vehicle is registered, it must be titled. Before a carrier is issued a HazMat permit, it must be authorized to operate in the state. Roadside officers often help enforce credentials regulations by issuing citations to those who are operating without the proper credentials.

Credentials information is exchanged within the state via snapshots (and CVIEW) or by direct interaction among state systems.

Figure 2–2 illustrates the vision for handling CVO electronic business transactions by the Year 2005. It is envisioned that by then, the vast majority of credentials administration business transactions will be handled electronically.

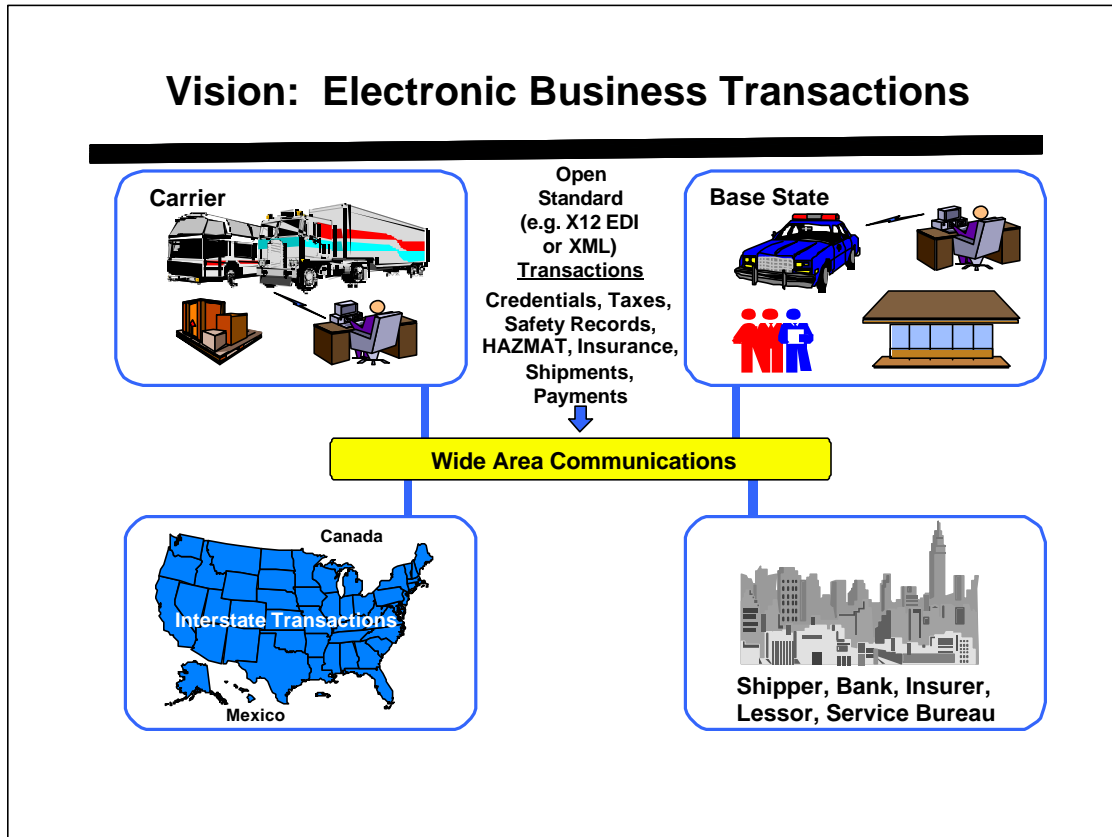


Figure 2–2. Vision: Electronic Business Transactions

2.4 Electronic Screening Enrollment

Electronic screening (e-screening) is the application of technology to make more informed screening decisions. Properly implemented, electronic screening results in improved traffic flow, focuses vehicle inspections and ultimately achieves the goals of increased safety and reduced operating costs. Prior to participation in e-screening programs, the carrier, vehicle and transponder information must be provided through an enrollment process. When applying to an electronic screening program, the motor carrier may also request participation in other screening programs or states. Strictly speaking, e-screening enrollment is a credentialing operation. However, it is not discussed in this guide, but in the *CVISN Guide to Electronic Screening*, Reference 10.